

# ***State of Washington Property/Casualty Insurance Rate Filing Procedures***

## **BASIC INFORMATION APPLICABLE TO ALL RATE/RULE FILINGS**

Combined rate/rule and form filings are not accepted. If a combined filing is received, the entire filing will be returned to the filer for resubmission as a separate rate/rule filing and a separate form filing. [WAC 284-58-250(6)]

Our action -- approved, withdrawn, or closed -- and the effective date of the filing (if approved) will be stamped on the first page of the material that is returned to you. If a filing is disapproved you will be notified by letter. If we do not receive a reply within 60 days, your copy will be stamped **CLOSED - NO REPLY** and returned to you.

The P / C rate filing checklist is for your use only and should not be submitted with filings.

The commissioner has 30 days from the date of receipt of a filing in which to review it. That review period may be extended by an additional 15 days by giving notice of such extension before the expiration of the initial 30 day period. [RCW 48.19.060(2)(a) and RCW 48.19.043(3)] Call (360) 725-7111 for filing status.

Deviation filings are subject to the same filing procedures as independent filings. [RCW 48.19.280] Explain all revisions in detail. If you file rates for a new coverage, you must explain derivation of those rates. It is not sufficient to say rates are based on "judgment" without explaining the factors considered, and assumptions made, in calculating the rates. Proposed rates must be supported as required by RCW 48.19.040(2) and WAC 284-24-065.

We consider an (a) rated class to be one which has no suggested rate or rating rule published by a rating organization or your company. The underwriter, using judgment alone, develops the rate. Any published rates (including "suggested" rates), rating rules, or rating plans used by a company must be filed as required by RCW 48.19.040. See WAC 284-24-070 for examples of (a) rate classes.

See WAC 284-24-062 for requirements pertaining to the adoption of a rating organization's prospective loss costs. When adopting loss costs, you must also complete and submit the Washington Loss Cost Reference Filing Adoption Form and the Washington Summary of Supporting Information Form.

Standards for schedule rating plans are found in WAC 284-24-100.

See RCW 48.19.090 and Bulletin 71-3 for the procedures for filing excess rates on specific risks.

## **WHAT LINES OF INSURANCE MUST BE FILED**

You are required to file rates/rules for all lines of insurance except aircraft hull and liability, ocean marine, reinsurance, and surplus lines coverages. [RCW 48.19.010, RCW 48.19.040, RCW 48.29.140, and WAC 284-24-060] Rate filing requirements for large commercial property casualty accounts are suspended under WAC 284-24-120. For inland marine, the rates and rules must be filed for those classes listed in WAC 284-24-080. The notation "Refer to Company" in a rating organization's manual of rates and rules does not dismiss the requirement that an insurer file all of its rates, rules, rating plans, etc. But, as is discussed in WAC 284-24-070, an insurer's manual of rates and rules may use the term "Refer to Company" as a synonym for (a) – rating.

## **FORMAT OF A RATE/RULE FILING**

- NAIC Filing Transmittal Forms:
  - PC TD-1
  - PC RRFS-1
- Cover Letter or Filing Description in item 21 of PC TD-1
- Explanatory Memorandum (if needed)
- Washington Return on Equity Worksheet
- Loss Cost Reference Filing Adoption Form (if applicable)
- Summary of Supporting Information Form (if applicable)
- Supporting Information
- Manual Page(s) and/or Exception Page(s) (See COMPLETE RATE/RULE MANUAL ON DISKETTE for private passenger auto, homeowners, and title insurance)

## **COMPLETE RATE/RULE MANUAL ON DISKETTE OR CD-ROM**

For private passenger auto, homeowners, or title insurance programs only, we request that you submit your complete updated rate/rule manual to us on diskette or CD-ROM before we approve any revisions. If you do not have the ability to produce manuals in electronic format, we will accept a hard copy. This will enable us to have a complete copy of your most recently approved manual available at all times.

Group filings must include only 1 company per diskette/CD-ROM, unless the manuals are identical for each company. Submit electronic format using any version of Microsoft Word or Excel, or Adobe Acrobat .pdf.

You must complete and submit the Washington Certification Form.

## **HOW TO COMPLETE TRANSMITTAL FORMS**

- The transmittal forms should be placed on top of the filing.
- All entries on the PC TD-1 and PC RRFS-1 should be typed and completed according to their instructions.
- Do not send a Transmittal Form with correspondence regarding a pending filing.
- Transmittal forms must be completed in their entirety. Incomplete forms will result in the filing being returned to the filer. It is not acceptable to show "See attached" or "See Filing Memorandum," etc. on the transmittal form. Also, you must specify an effective date on Line 14 of the PC TD-1. Stating only "Earliest Permissible" or "As Soon As Possible," etc. creates confusion, especially with our use and file law.

## **HOW TO DETERMINE THE NUMBER OF COPIES OF YOUR FILING TO SUBMIT**

- 1 complete copy for this office.
- 1 complete copy for the Washington Insurance Examining Bureau (when the filing pertains to commercial or dwelling property, commercial multi-peril, farm, or homeowners).
- 1 copy of your cover letter or whatever you want returned to you for confirmation of approval.
- 1 postage paid, self addressed envelope large enough for the entire filing (to be returned to you).

Note: If you are filing for a group of companies **and** all the filings are identical, you do not have to submit individual filings for each company, however, each company must be listed on the PC TD-1. Just one RATE/RULE FILING SCHEDULE (PC RRFS-1) is required per filing.

## **ONLY ONE LINE OF BUSINESS PER FILING IS PERMITTED**

Different lines of insurance cannot be submitted together in one filing. You must submit a separate filing for each line. The exception to this rule involves multi-purpose rates or rules used for more than one line of insurance. An example of this would be an Installment Payment Plan or a Schedule Rating Plan.

## **HOW TO DETERMINE WHETHER YOUR FILING IS SUBJECT TO PRIOR APPROVAL OR USE & FILE**

See Technical Assistance Advisory T 97-3. Insurers are not required to submit commercial lines filings on a use and file basis. If you wish to submit a commercial property casualty filing on a prior approval basis, you should notify us of your intent in your cover letter and/or transmittal form. Otherwise, we will proceed under the assumption that it is use and file.

## **HOW TO CHANGE THE EFFECTIVE DATE OF AN APPROVED FILING**

All requests to change the effective date of a filing must be submitted in writing and received by this office prior to the originally approved effective date.

## **HOW TO DELAY THE ADOPTION OF, OR NON-ADOPT, A BUREAU FILING**

- Process the same as a regular filing.
- A PC TD-1 form must be submitted, however, a PC RRFS-1 form is not required.
- Under item 15 on the PC TD-1 the "Yes" box should be checked, and under item 17 the Bureau's filing number must be shown in the designated space. Note: Do not show the Circular Number.
- Under item 14 on the PC TD-1, enter the proposed effective date:
  - \* If you are "non-adopting" – show the Bureau's effective date.
  - \* If you are "delaying implementation" - show date delayed to.
- We must receive the filing before the Bureau filing effective date for "prior approval" filings, and within 30 days of the Bureau filing effective date for "use and file" filings.

## **MISCELLANEOUS**

- Provide clear, legible copies of all materials.
- Use the filing checklists as a guide but **do not include** them with your filing.
- Rate/rule filings must be submitted separately from form filings.
- Remember to include a postage paid, self-addressed envelope with the original filing (large enough for the entire filing), and with each reply to an inquiry (normal business letter size envelope).
- Washington's statutes do not allow "me too" filings.
- Faxed and/or e-mailed responses are not accepted without prior agreement by the analyst.
- Filings should be submitted in a loose leaf format. Do not submit in binders or other bound format.
- If using ISO Symbol Pages, please state so in your manual. There is no need to submit the entire ISO Symbol Page section. However, exception pages must be submitted. If using Company Symbol Pages, the entire Symbol Page section must be submitted.
- Adaptation of the transmittal form and other required forms to company computerized format is acceptable if the complete forms are reproduced.
- Filing procedures, forms and links to our statutes and regulations are available on our web site at: <http://www.insurance.wa.gov/industry/mainpropertycasualty.asp>
- Any actuarial questions or specific concerns with your pending filing may be directed to the analyst reviewing your submission. All other questions, such as status checks and general filing information, should be directed to our Support Desk at (360) 725-7111 or [RFHelpDesk@oic.wa.gov](mailto:RFHelpDesk@oic.wa.gov).